



City Finances

Frequently Asked Questions

How do we pay for most of our city services and operations?

The city relies predominantly on its General Fund to pay for most city services, including law enforcement, fire protection, emergency medical services, streets and park maintenance, library services, recreation activities, administration and finance.

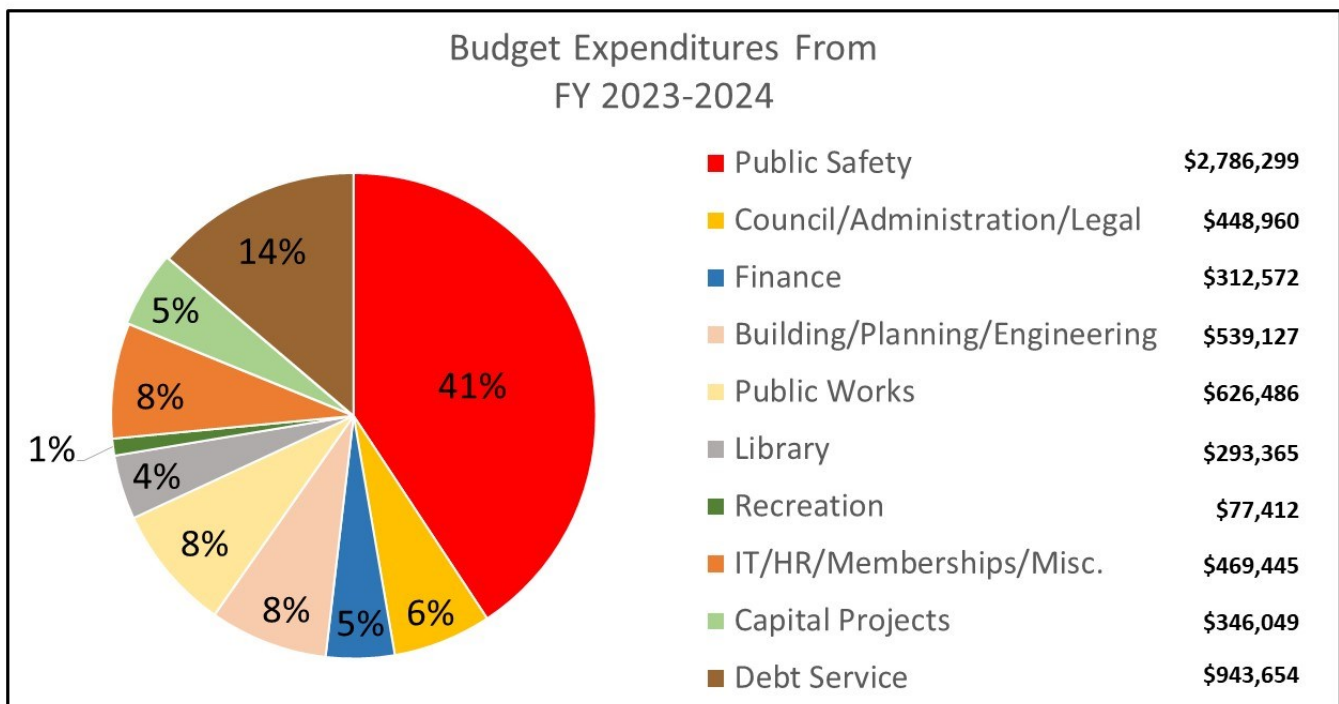
Where does the General Fund revenue come from?

More than 70% of the City's General Fund budget comes from sales, property, and transient occupancy taxes. The remaining budget comes from other public agencies, franchise agreements, licenses, permits, service charges, interest and rental income.

How big is our General Fund? How do revenues compare to expenditures?

In FY 2023-24, the City's General Fund revenue was \$6,085,375 and \$6,843,369 in expenditures. In order to balance the budget this past year, **the City used \$757,994 of General Fund Reserve.**

As the following pie chart illustrates, the City's expenditures are broken down into a variety of service and activity areas. This past fiscal year, the City used nearly \$1 million of its General Fund Reserve in order to balance the budget.

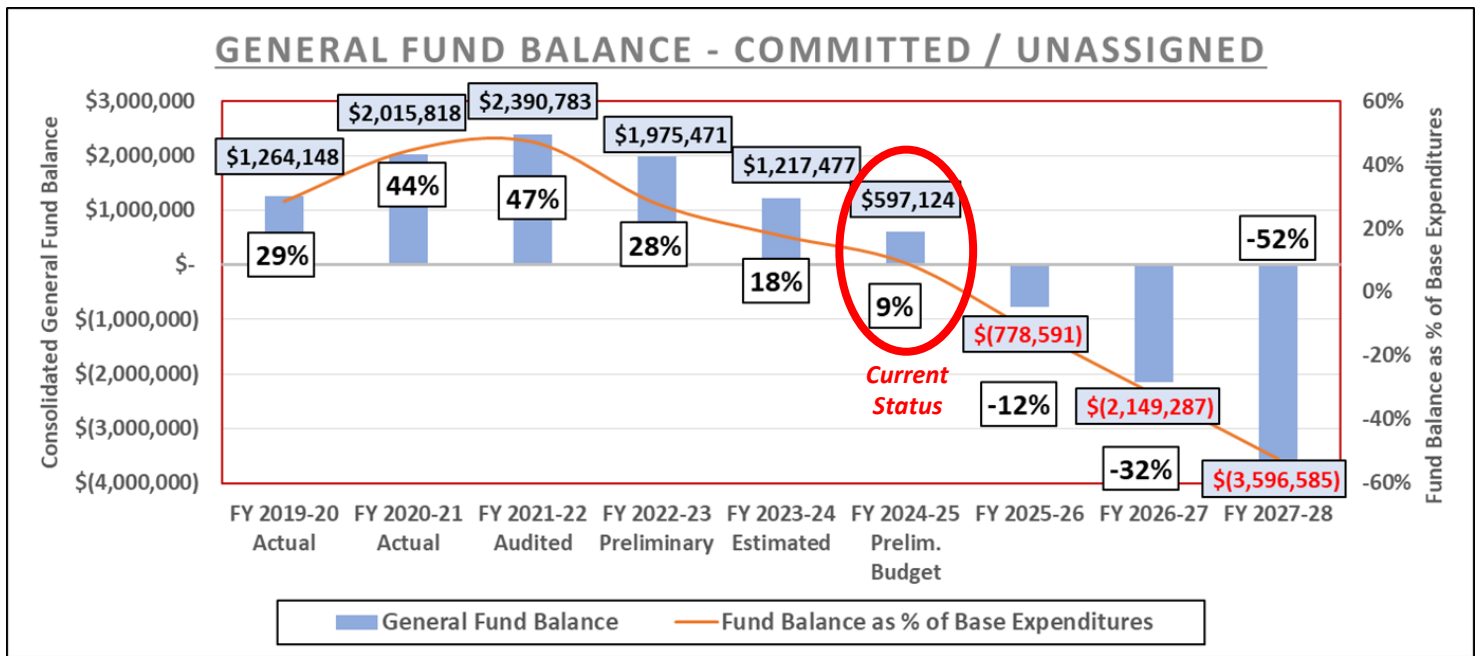


For more information, see other side. →

What is the current status of the General Fund Reserve?

As of June 30, 2024, the city’s General Fund Reserve has slightly more than \$1.2 million, or 18%, of the base expenses required to operate the city. By June 30, 2025, the Reserve is projected to have just under \$600K remaining (illustrated in the chart below). The higher General Fund Reserves from 2020 to 2023 were the result of one-time Federal funding (e.g., Covid monies) and the sale of city assets. Those monies have been spent to balance the city’s budget.

A significant and immediate increase in revenue is required to ensure continued existing levels of service and city operations beyond June 30, 2025.



For more information about the City's Finances and Measure I:



www.willowsmeasurei.org

Can we make more cuts to balance the budget?

With only 17 full-time and 17 part-time city employees, there really are no areas to cut that have not already been cut unless the City wishes to close recreation and library services. However, even closing those services will not provide sufficient revenue to balance the City’s budget. Over the years, the City has reduced positions in all departments including Fire, Library, Recreation, and Public Works. The City is currently operating at bare minimum staffing levels.